

1 A. The assets and I believe the stock.

2 Q. The assets of what?

3 A. Ellis Thompson Corporation.

4 Q. Can you recall what the assets of Ellis  
5 Thompson Corporation were at that time?

6 A. Not specifically. I frankly assume it  
7 was the switch. Actually I don't think he owned  
8 the switch. I guess the cell sites. It was in  
9 the process of construction as I understand.

10 Q. Do you know from what source  
11 Mr. Thompson was getting the money to begin  
12 construction?

13 A. No, I don't.

14 Q. So you did not play any role in getting  
15 initial funds from Mr. Thompson that you can  
16 recall?

17 A. Honestly I'm not sure if those weren't  
18 the initial funds, the PNC Bank.

19 Q. Did you do any other loan related tasks  
20 or advice giving to Mr. Thompson after this  
21 particular loan we've been discussing was  
22 obtained?

23 A. Yes. The loan had a certain maturity,  
24 I don't recall initially what it was, but we  
25 basically have -- he has basically asked for

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1 extensions to the loan every year. And he's just  
2 continued to pay interest. So every year we  
3 have -- you know, we've had a conversation that  
4 it's time to ask for an amendment.

5 And basically his attorney has drafted  
6 the amendment and coordinated with Anna Hillman  
7 to, you know, get some projections usually just  
8 for a year ahead, to send that to the bank, and  
9 to obtain an amendment to extend the maturity of  
10 the loan. And I guess it has been increased in  
11 size also.

12 Q. Do other Comcast systems use Provident  
13 Bank as well?

14 A. Oh, absolutely, uh-huh.

15 Q. Is Provident Bank the bank for all of  
16 Comcast's cellular business?

17 A. No, not the only bank.

18 Q. Is it the primary lender for Comcast  
19 systems?

20 A. No.

21 Q. Do you know David Lokting?

22 A. I have met him, yes, and had  
23 conversations with him.

24 Q. Do you know who he is?

25 A. He is Ellis Thompson's attorney and I

1 believe an officer in Ellis Thompson Corporation.

2 Q. In your work in giving advice about  
3 this loan, did you ever discuss it directly with  
4 Mr. Thompson?

5 A. If I did, it would be only in a meeting  
6 where he was there and I was there with the  
7 bank.

8 Q. Did you ever discuss the loan matters  
9 directly with Mr. Lokting?

10 A. Yes.

11 Q. What role, if any, did Mr. Lokting play  
12 in helping to obtain this loan?

13 A. As far as I know, most information  
14 about the loan and discussions about the loan  
15 were passed through David Lokting. So, while at  
16 some of the bank meetings we had someone from  
17 Comcast legal department, I am of the  
18 understanding that basically David Lokting had  
19 reviewed everything as the attorney for Ellis  
20 Thompson Corporation and signed off on everything  
21 and that he was advising Ellis Thompson.

22 Q. Did you look to other banks as well as  
23 Provident before recommending -- strike that.

24 Did there come a time where you  
25 actually recommended that they obtain a loan from

1 Provident Bank?

2 MR. GURMAN: Do you mean Chris  
3 personally or Comcast?

4 BY MR. WEBER:

5 Q. Chris personally.

6 A. Not really. It's a small loan, it's an  
7 unusual system, it's unusual to finance a system  
8 this small. Provident has been one of the  
9 earliest and major lenders to the cellular  
10 industry. So frankly, given the size of the  
11 task, the only person I contacted really was  
12 Provident.

13 They were interested in the  
14 transaction, they reviewed on a stand-alone basis  
15 all the financials, et cetera, and decided to  
16 make the loan. So it's kind of hard to say  
17 whether I recommended them. It's the type of  
18 thing that you wouldn't go out given the size and  
19 solicit 50 banks.

20 Q. Did to your knowledge Comcast ever  
21 consider financing the building of the Atlantic  
22 City system?

23 A. No.

24 Q. And I guess by no, they did not  
25 consider that, or you don't know?

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1           A.    I was never a part of any discussions  
2 where they considered it.

3           Q.    Do you know if Mr. Thompson ever  
4 requested Comcast to finance or to see if they  
5 had the ability to finance?

6           A.    I don't really know, I didn't  
7 participate in any conversations where he did.

8           Q.    Have you ever attended any of the  
9 quarterly meetings for the Atlantic City system?

10          A.    No.

11          Q.    Do you know a woman by the name of  
12 Kimon, K-i-m-o-n, Hatza, H-a-t-z-a?

13          A.    It's a man.

14          Q.    I'm sorry.

15          A.    And it's Kimon Hatza.

16          Q.    Okay. Who is Mr. Hatza?

17          A.    He is an attorney at Cohen, Shapiro,  
18 Cohen, Shapiro, Polisher, Shiekman and Cohen in  
19 Philadelphia.

20          Q.    And can you tell me if he had any role  
21 in the financing of the Atlantic City system?

22          A.    That firm represented Provident/PNC  
23 Bank and I know that Kimon has been representing  
24 Provident recently. I don't know -- I don't  
25 recall if -- if he came in at the very beginning.

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1 Q. Have you had any discussions with  
2 either Mr. Hatza or anybody else at Cohen,  
3 Shapiro?

4 A. Well, we use Cohen, Shapiro quite a  
5 bit. So I assume you mean about this.

6 Q. Yes, I'm talking about for the Atlantic  
7 City system.

8 A. Again, you know, I've acted on occasion  
9 as sort of coordinator, I have sent things back  
10 and forth. He has, you know, kept me more or  
11 less in the loop as to the process, you know,  
12 what is the amendment obtained or not obtained or  
13 is it in draft form, that type of thing.

14 Q. You stated that you've used Cohen,  
15 Shapiro frequently. What do you mean by that?

16 A. Well, historically members of their  
17 firm have represented us, in particular one cable  
18 system that we own. And that goes back to before  
19 my time at Comcast. And they have recently  
20 represented us on a number of transactions  
21 beginning in about December of 1992.

22 Q. On the matters concerning the loan for  
23 the Atlantic City system, did they represent  
24 Comcast or did they represent Provident Bank?

25 A. Provident Bank. When I say Cohen,

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1     Shapiro has represented us, it's been in other  
2     bank transactions for Comcast Corporation.

3           Q.     Is there a contact person at Provident  
4     Bank that you would deal with concerning the loan  
5     for Atlantic City?

6           A.     Well, I know the head of the  
7     department. There has been some personnel  
8     changes so I know that there have been different  
9     account officers following this. But there has  
10    been stability kind of at the top of the  
11    department. So, if I ever have reason to contact  
12    anyone there, yes, I know who that is.

13          Q.     And who would you contact?

14          A.     Scott Meves, M-e-v-e-s.

15          Q.     Do you know a Bernadette Collins?

16          A.     Yes.

17          Q.     And who is she?

18          A.     She was the account officer for a time  
19    on the Ellis Thompson loan.

20          Q.     Account officer at Provident Bank?

21          A.     Yes.

22          Q.     Did you have contacts with her  
23    concerning the Ellis Thompson loan?

24          A.     Yes.

25          Q.     Could you describe those contacts?

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1           A.     Usually I would -- again it's just in  
2     the case of facilitating I feel. I would call  
3     and remind her that she would probably be seeing  
4     another request for amendment from Ellis Thompson  
5     and advise her that Ellis Thompson and some of  
6     the people out at Metrophone would be putting  
7     together a projection for the upcoming year to  
8     request the amendment. And sometimes things were  
9     funneled through me to Ellis Thompson  
10    Corporation.

11           Q.     Would Provident Bank ever have direct  
12    contact with Ellis Thompson to your knowledge?

13           A.     Oh, yes, uh-huh.

14           Q.     Although sometimes it was funneled  
15    through you?

16           A.     Uh-huh.

17           Q.     Yes?

18           A.     Yes. I'm sorry.

19           Q.     For the matters which Comcast also used  
20    Provident Bank not relating to the Atlantic City  
21    system, was Ms. Collins the person you would deal  
22    with for those matters as well?

23           A.     She was one of them, yes.

24           Q.     Did you ever have any discussions with  
25    Ms. Collins about how the Atlantic City system

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1 loan was different because Comcast did not own  
2 the Atlantic City system?

3 A. The loan is set up entirely nonrecourse  
4 to Comcast Corporation. And the whole thing is  
5 structured legally that way. So it's clear  
6 frankly to anyone who knows anything about  
7 lending that it's nonrecourse so it sort of  
8 didn't need to be said.

9 Q. Did you ever have any discussions with  
10 Ms. Collins then about why Comcast was involved  
11 with the Atlantic City system?

12 A. I didn't have any overt discussions  
13 about it I don't believe. Well, she knows that  
14 we're a partial owner, we have an interest in the  
15 system.

16 Q. Do you know Anna Hillman?

17 A. Yes.

18 Q. Have you ever had any discussions with  
19 Anna Hillman about the Atlantic City system?

20 A. Yes. It's my impression that they  
21 manage some of the accounting work for Ellis  
22 Thompson Corporation. So that, if you're talking  
23 about giving the banking projection for the  
24 upcoming year, I believe her department would be  
25 responsible for preparing it. And I understand

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1 that the projections and the budgets are signed  
2 off by Ellis Thompson Corporation, but they do  
3 the work in Anna Hillman's department.

4 Q. I want to discuss I guess again about  
5 when the loan was initially being obtained. Did  
6 you present a package to Mr. Thompson or how was  
7 the loan presented to him, if you can recall?

8 A. Well, there was a term sheet I believe,  
9 there usually is, I don't recall it  
10 specifically. So I assume that he saw the term  
11 sheet.

12 Q. Would you have given him the term sheet  
13 or would it have been sent from Provident Bank?

14 A. It should have gone from Provident. I  
15 honestly don't specifically remember this term  
16 sheet. It's a pretty straightforward loan. The  
17 only thing to discuss in it in were pricing and  
18 the security. I don't believe at the time it  
19 really had any cash flow so there just was --  
20 there wasn't a lot to present. So Provident did  
21 have conversations and had whatever information  
22 was available at the time.

23 Q. Did Mr. Lokting or Mr. Thompson ever  
24 contact you to let you know that they had decided  
25 to take this particular loan?

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1 A. Yes.

2 Q. And when did that happen or how did  
3 that happen?

4 A. Well, I had heard I think -- well,  
5 maybe I'm not being specific enough. I think I  
6 had probably heard through Anna Hillman's  
7 department that the terms were acceptable to them  
8 and basically they had given authorization for  
9 the bank to go ahead and document the loan.

10 Q. Other than any assistance you did in  
11 obtaining the initial loan and then the yearly  
12 extensions, is there any other financial work you  
13 do relating to the Atlantic City system?

14 A. No.

15 Q. You do not have any control or work  
16 over the company's business accounts?

17 A. None whatsoever.

18 Q. Would those be done from the treasury  
19 office to your knowledge?

20 A. What do you mean by business accounts?  
21 The way they run their business?

22 Q. Well, any accounts receivable.

23 A. No, that doesn't run through treasury,  
24 I mean that's typically an accounting function.  
25 We don't really have any kind of accounting

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1 functions within our department, not even for  
2 Comcast.

3 Q. To your knowledge has Mr. Thompson ever  
4 requested a search for a bank that could possibly  
5 give better terms?

6 A. Not to my knowledge.

7 Q. Has there ever been a search for a bank  
8 which could possibly give better terms?

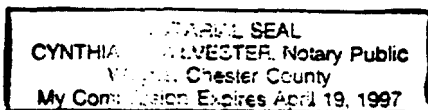
9 A. Not to my knowledge. I'd like to say  
10 that, with a system that's subject to as much  
11 litigation as this one, no one would ever lend to  
12 it, it's a waste of time, no new bank.

13 MR. WEBER: Thank you, Ms. Van Horne,  
14 that's all the questions I have.

15 (Thereupon, at 10:30 a.m., the taking  
16 of the instant deposition ceased.)

17 Christine T. Van Horne  
18 Signature of the Witness

19  
20 SUBSCRIBED AND SWORN to before me this 27th  
21 day of June, 1995



Cynthia A. Sylvester  
NOTARY PUBLIC

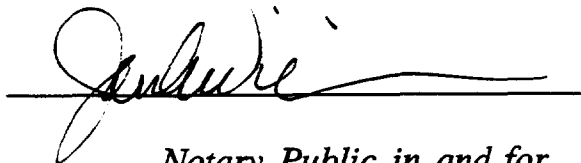
25 My Commission Expires

*CERTIFICATE OF REPORTER*

*UNITED STATES OF AMERICA ) ss.:*

*DISTRICT OF COLUMBIA )*

I, JAN A. WILLIAMS, the officer before whom the foregoing deposition was taken, do hereby certify that the witness whose testimony appears in the foregoing deposition was duly sworn by me; that the testimony of said witness was taken by me to the best of my ability and thereafter reduced to typewriting under my direction; that I am neither counsel for, related to, nor employed by any of the parties to the action in which this deposition was taken, and further that I am not a relative or employee of any attorney or counsel employed by the parties thereto, nor financially or otherwise interested in the outcome of the action.

A handwritten signature in dark ink, appearing to read "Jan A. Williams", is written over a horizontal line.

*Notary Public in and for  
the District of Columbia*

*My commission expires: 03-31-97*



ERRATA SHEET FOR THE TRANSCRIPT OF:

Notice Date: 04/28/95  
Case Name: In Re: Ellis Thompson Corporation  
Case Number: 14261-CL-P-134-A-86  
Dep. Date: 04/27/95  
Deponent: Dominic Villecco  
Place: Washington, D.C.

CORRECTIONS:

<u>Page</u>	<u>Line</u>	<u>Now Reads</u>	<u>Should Read</u>	<u>Reasons Therefore</u>
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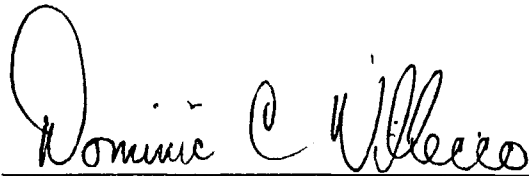
Dominic C Villecco  
Signature of Deponent  
6/15/95  
Date of Signature

ERRATA SHEET FOR THE TRANSCRIPT OF:

Notice Date: 04/28/95  
Case Name: In Re: Ellis Thompson Corporation  
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<u>Page</u>	<u>Line</u>	<u>Now Reads</u>	<u>Should Read</u>	<u>Reasons Therefore</u>
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Signature of Deponent  
6/15/95  
\_\_\_\_\_  
Date of Signature



1 BEFORE THE FEDERAL COMMUNICATIONS COMMISSION

2 WASHINGTON, D.C. 20554

3 CC DOCKET NO. 94-136

4 - - - - - X

5 In re Application of :

6 ELLIS THOMPSON : File No.

7 CORPORATION : 14261-CL-P-134-A-86

8 - - - - - X

9 Washington, D.C.

10 Thursday, April 27, 1995

11 Deposition of DOMINIC C. VILLECCO, a  
12 witness herein, called for examination by counsel  
13 for Federal Communications Commission in the  
14 above-entitled matter, pursuant to agreement, the  
15 witness being duly sworn by JAN A. WILLIAMS, a  
16 Notary Public in and for the District of  
17 Columbia, taken at the offices of Gurman, Kurtis,  
18 Blask & Freedman, Suite 500, 1400 16th Street,  
19 N.W., Washington, D.C., 20036, at 10:35 a.m.,  
20 Thursday, April 27, 1995, and the proceedings  
21 being taken down by Stenotype by JAN A. WILLIAMS  
22 and transcribed under her direction.

23

24

25

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## 1 APPEARANCES:

2

3 On behalf of the Wireless Telecommunications  
4 Bureau of the Federal Communications  
5 Commission:

6 JOSEPH PAUL WEBER, ESQ.

7 TERRENCE E. REIDELER, ESQ.

8 The Wireless Telecommunications Bureau  
9 Federal Communications Commission  
10 1919 M Street, N.W., Room 644  
11 Washington, D.C. 20554  
12 (202) 418-1317

13

14 On behalf of Ellis Thompson Corporation:

15 STEVE D. LARSON, ESQ.

16 Stoll, Stoll, Berne, Lokting &  
17 Shlachter, P.C.

18 209 Southwest Oak Street  
19 Portland, Oregon 97204  
20 (503) 227-1600

21

22

23

24

25

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1 APPEARANCES: (Continued)

2

3 On behalf of American Cellular Network  
4 Corp.:

5 LOUIS GURMAN, ESQ.

6 Gurman, Kurtis, Blask & Freedman

7 Suite 500

8 1400 16th Street, N.W.

9 Washington, D.C. 20036

10 (202) 328-8200

11

12 On behalf of Telephone & Data Systems, Inc.:

13 HERBERT D. MILLER, JR., ESQ.

14 Koteen & Naftalin

15 1150 Connecticut Avenue

16 Washington, D.C. 20036

17 (202) 467-5700

18

19

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## 1 C O N T E N T S

2 THE WITNESS EXAMINATION BY COUNSEL FOR  
3 DOMINIC C. VILLECCO FEDERAL COMMUNICATIONS  
4 COMMISSION

5 By Mr. Weber 5

6 AMERICAN CELLULAR NETWORK

7 By Mr. Gurman 43

8

## 9 E X H I B I T S

10 VILLECCO EXHIBIT NO. PAGE NO.

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## P R O C E E D I N G S

Whereupon,

DOMINIC C. VILLECCO,  
business address at 480 E. Swedesford Road,  
Wayne, Pennsylvania, 19087-1867, was called as a  
witness by counsel for Federal Communications  
Commission, and having been duly sworn by the  
Notary Public, was examined and testified as  
follows:

EXAMINATION BY COUNSEL FOR  
FEDERAL COMMUNICATIONS COMMISSION  
BY MR. WEBER:

Q. Good morning, Mr. Villecco, my name is  
Joseph Weber and I represent the Wireless  
Telecommunications Bureau of the FCC.

Could you please state your name for  
the record.

A. My name is Dominic C. Villecco.

Q. Have you ever had your deposition taken  
before?

A. I'm sorry?

Q. Have you ever had your deposition taken  
before?

A. On another case.

Q. So you do know the process?

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1 A. Yes.

2 Q. Did you do anything to prepare for  
3 today's deposition?

4 A. I spent a few hours with Lou Gurman  
5 last week.

6 Q. Did you review documents?

7 A. Yes.

8 Q. Do you have a personal correspondence  
9 file?

10 A. I had handed all my files over to the  
11 attorneys.

12 Q. Did you review the files you handed  
13 over to the attorneys?

14 A. Yes, that's what I had reviewed with  
15 Lou last week.

16 Q. What is your business address?

17 A. 480 --

18 Q. I'm sorry. Before I ask that, what is  
19 your current occupation?

20 A. I'm currently vice-president of  
21 wireless engineering for Comcast International  
22 Holdings.

23 Q. And how long have you been in that  
24 position?

25 A. Approximately a year.

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1 Q. Previous to that position, what was  
2 your occupation?

3 A. I was the vice-president of engineering  
4 and operations for Comcast Cellular.

5 Q. While in that position, what was your  
6 business address?

7 A. The last address was 480 East  
8 Swedesford Road in Wayne, Pennsylvania.

9 Q. And can you recall your telephone  
10 number when you were at that position?

11 A. No, because the area code and the  
12 numbers had changed. Oh, wait, it was (215)  
13 975-5039, that's what it was.

14 Q. How long were you in that position?

15 A. From 1988 until 1994.

16 Q. Prior to starting that position in  
17 1988, were you employed by Comcast?

18 A. Actually I was employed by Amcell, a  
19 company that Comcast had purchased.

20 Q. What were your duties and  
21 responsibilities in that position?

22 A. The Comcast position?

23 Q. Yeah, the Comcast position.

24 A. I was in charge of engineering, design,  
25 implementation, and operation of the cellular

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1 networks that Comcast operated.

2 Q. Who did you report to?

3 A. I reported directly to the president of  
4 Comcast Cellular.

5 Q. When you were with Amcell, what were  
6 your duties and responsibilities?

7 A. I was director of engineering with  
8 Amcell and I had similar responsibilities  
9 primarily limited to the southern region which  
10 was Delaware and Atlantic City.

11 Q. And who did you report to when you were  
12 at Amcell?

13 A. Joe Nevarez was the vice-president of  
14 engineering.

15 Q. Joe Nevarez?

16 A. Joe Nevarez, N-e-v-a-r-e-z.

17 Q. Did any employees report to you in your  
18 position at Comcast?

19 A. Yes.

20 Q. How many?

21 A. Approximately 140.

22 Q. How many reported directly to you?

23 A. Seven or eight.

24 Q. In that position at Comcast, did you do  
25 the engineering, design, implementation, and

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1 operation for all the cellular systems which  
2 Comcast either owns or manages?

3 A. That's correct.

4 Q. Was the Atlantic City system one of the  
5 systems for which you did some work?

6 A. Yes, it is.

7 Q. Did you also do work for the Atlantic  
8 City system while at Amcell?

9 A. Yes, I did.

10 Q. While at Comcast what were your  
11 specific duties and responsibilities as to the  
12 Atlantic City system?

13 A. Atlantic City was -- we operated  
14 Atlantic City as part of the full network. The  
15 difference between Atlantic City and the rest of  
16 the systems were that we had a management  
17 agreement in Atlantic City. And, even though we  
18 operated it as the full network, we had to get  
19 clearance through Ellis Thompson for things like  
20 budget, new site acquisition, things like that.

21 Q. What do you mean by full network?

22 A. We had -- Comcast is a cellular network  
23 that operates throughout Pennsylvania, New  
24 Jersey, and Delaware. And part of the agreement  
25 that we had with Ellis Thompson was to switch --

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